

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2017-0010**

DELEGATION OF AUTHORITY TO APPROVE REPLACING, REMOVING, OR
UPGRADING UNDERGROUND STORAGE TANKS (RUST) LOANS AND GRANTS AND
TO EXECUTE LOAN AGREEMENTS, GRANT AGREEMENTS, AND AMENDMENTS TO
DISBURSE LOAN AND GRANT FUNDS FROM THE PETROLEUM UNDERGROUND
STORAGE TANK FINANCING ACCOUNT (PUSTFA) AND TO REFER ACTIONS TO THE
ATTORNEY GENERAL TO RECOVER MONEYS DUE TO THE PUSTFA

WHEREAS:

1. Chapter 6.76 of Division 20 of the Health and Safety Code (Chapter 6.76) establishes the PUSTFA and authorizes the State Water Resources Control Board (State Water Board) to administer the account to conduct the RUST program to provide low-interest loans and grants to small businesses to replace, remove, and repair underground storage tanks to meet required standards;
2. To implement Chapter 6.76, the State Water Board adopted regulations. These regulations became effective on December 3, 2004, and are contained in title 23 of the California Code of Regulations, division 3, chapter 24, article 2 (RUST Regulations);
3. Chapter 6.76 and the RUST Regulations require the State Water Board to approve RUST program loans and grants only for applicants who meet specified eligibility requirements, for specified purposes, upon certain specified terms, and with specific limitations;
4. Chapter 6.76, as currently enacted, authorizes the State Water Board to approve RUST program loans for amounts between \$10,000 and \$750,000, and to approve RUST program grants for amounts between \$3,000 and \$140,000; in 2014 the Legislature of the State of California (Legislature) amended Chapter 6.76 to adjust the grant amounts available to eligible applicants, and in the future the Legislature may make additional adjustments to loan or grant amounts available under Chapter 6.76;
5. Approval of RUST program loans and grants is routine and does not raise significant issues requiring consideration at State Water Board meetings;
6. For efficient administration of the RUST program, it is appropriate and desirable to delegate to the Deputy Director of the Division of Financial Assistance (Division) the authority to approve or deny RUST program loans and grants. It likewise, is appropriate and desirable to delegate to the Deputy Director of the Division the authority to execute loan agreements, grant agreements, and amendments with approved recipients of RUST program loans and grants; and
7. The State Water Board has authority to pursue any cost recovery action or any other collection process to recover defaulted RUST loan moneys due to the State Water Board or to recover RUST grant moneys paid but to which the grantee is not entitled, including, but not limited to, referring such matter to the State of California Attorney General (Attorney General). It is desirable to delegate to designated staff the authority to refer any such matter to the Attorney General.

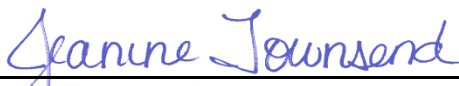
THEREFORE BE IT RESOLVED THAT:

1. The State Water Board authorizes the Deputy Director of the Division, or designee, to approve or deny, consistent with statutory and regulatory requirements, loan agreements and grant agreements for eligible applicants to the RUST program in amounts authorized by Chapter 6.76, including subsequent adjustments to the amounts authorized by Chapter 6.76 should that chapter be amended by the Legislature, and to do all things necessary and convenient to implement such agreements;
2. The State Water Board authorizes the Deputy Director of the Division, or designee, to execute, for and on behalf of the State Water Board, loan agreements, grant agreements, and amendments to disburse funds from the PUSTFA for approved RUST program loans and grants;
3. The State Water Board ratifies grant agreements and amendments executed by the Deputy Director of the Division, or designee, for amounts that exceed \$50,000 but do not exceed \$140,000, and that were executed on or after September 25, 2014.
4. The State Water Board authorizes the Deputy Director of the Division, with the concurrence of the State Water Board's Office Chief Counsel, to refer any cost recovery action to the Attorney General to recover defaulted RUST loan moneys due to the State Water Board or to recover RUST grant moneys paid but to which the grantee is not entitled;
5. Except as otherwise specifically provided by the State Water Board, the Executive Director, or the Executive Director's designee, shall be the duly authorized representative of the State Water Board for the purpose of making a final determination of any dispute arising under or relating to the performance of any loan agreements and grant agreements to which the State Water Board is a party;
6. The Executive Director and the Deputy Director of the Division are directed in exercising the authority vested in them by this resolution, without restricting the authority specified, to bring to the attention of the Board Members at a board meeting or by other appropriate communication, any matters that are of a unique, controversial, or unusual nature or that appear to depart from the policies of the State Water Board; and
7. This resolution supersedes and rescinds [Resolution No. 2014-0014](#).

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on March 7, 2017.

AYE: Vice Chair Frances Spivy-Weber
Board Member Tam M. Doduc
Board Member Steven Moore
Board Member Dorene D'Adamo
NAY: None
ABSENT: Chair Felicia Marcus
ABSTAIN: None



Jeanine Townsend
Clerk to the Board